

FAS

FIELD ADVISORY SERVICES

FAS TRACK

Defense Civilian Personnel Management Service

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Life in the FAS Lane...

As FAS goes into its ninth year of service we look forward to providing the Department of Defense (DoD) Human Resources (HR) community appropriate guidance on all HR issues. We want to hear from you. Our responsibility – and privilege – is to support you.

We continue to offer advice on an expanding variety of issues, and I am continually amazed at the complexity of issues and the degree of technical knowledge necessary to craft the appropriate response. Please keep the questions coming because it is through these issues that we learn where further guidance is necessary or where legislative remedies may be required to resolve our personnel related problems.

We are only a phone call (703) 696-6301 or an e-mail fastalk@cpms.osd.mil - away. For particularly complex issues, please provide a written explanation of the issue along with the question. For you folks overseas, e-mail does not object to the differences in time zones. The FAS Team will respond to your inquiry with the same great service no matter how it is received. If for some reason you do not get a response to your e-mail within a couple of days, let us know.

We look forward to another great year of professional friendship.

Jim Wachter

FAS Tool CD-ROM March 2002 (Version 5.0) Available

Version 5.0 (March 2002) of the FAS Tool CD-ROM is now available. One copy will be mailed to each location (Department of Defense Human Resources Offices). Material on the CD includes: FAS Handbook CSRS & FERS, Civilian Personnel Manual (CPM), training materials, salary tables, and much more. To request a copy go to <http://www.cpms.osd.mil/fas/cd/FasCDRequest.asp> to complete the request form.

BENEFITS & ENTITLEMENTS

benefits@cpms.osd.mil

Counting to 365 Days

Many human resources offices work actions that require termination of benefits due to an employee's being on leave without pay (LWOP) for more than 365 days. In most cases, the LWOP is over an entire block of time, which makes counting the time easy. Recently, we had a case that involved an individual who had been on LWOP intermittently. So how would you count the days? The Federal Employees Group Life Insurance and the Federal Employees Health Benefits Handbooks are not clear on this subject. However, the Handbooks are very clear that, if the employee has a four-month period in a pay status, a new 365-day period starts. The regulations state, "to determine four consecutive months means any four-month period during which you are in pay status for at least part of each period." Using the same logic to count intermittent LWOP, each pay period for which the employee worked only a portion would be omitted. For example:

- 1st pay period—LWOP
- 2nd pay period—LWOP
- 3rd pay period—worked 4 hours
- 4th pay period—LWOP
- 5th pay period—worked 3 days
- 6th pay period—LWOP, etc.

In this example, the first two pay periods are counted (28 days); the 3rd pay period (for which the employee was in pay status for a part of the pay period) is not counted. The count continues with the 4th pay period, adding 14 days for a total of 42 days; the 5th pay period is not counted. The count continues with the 6th pay period for a total of 56 days. The count is more difficult when the human resources office does not receive LWOP notification as sometimes happens when LWOP is taken intermittently. It is very important that human resources offices track the payroll listings to monitor employees on LWOP and take action to terminate affected benefits, as appropriate.

For 2002 – Death Benefits (Deaths occurring 12/1/01 and after)

Death Benefit: \$24,018.48
The rate for surviving children:
Single Orphan rate: \$378 / \$1,134
Double orphan rate: \$453 / \$1,359

Thrift Savings Plan (TSP) Participants' Tax Credit

Employees, who participate in the TSP during tax years 2002 through 2006, may be eligible for a tax credit of up to \$2,000 on their Federal income tax return for each year they contribute to the plan. This "Saver's Tax Credit" is available to participants with adjusted gross income of no more than \$50,000 who are married, filing jointly; \$37,500 who are head of household; or \$25,000 who are single or married, filing separately. For more information

about this new tax credit, employees should consult a tax advisor or refer to Internal Revenue Service Publication 553, *Highlights of 2001 Tax Changes*.

Retirement Portability Coverage

The Fiscal Year 2002 NDAA, signed on December 28, 2001, has been assigned Public Law Number 107-107. Sections 1131 and 1132 change the provisions for retirement portability between NAF and appropriated fund (APF) positions. The changes were effective December 28, 2001. OPM will provide regulations in the near future.

Section 1131, "Improved Portability of Retirement Coverage for Employees Moving Between Civil Service Employment and Employment by Nonappropriated Fund (NAF) Instrumentalities," amends sections 8347(q) and 8461(n) of title 5, United States Code (5 U.S.C.) by removing the requirement that employees be vested in the losing NAF or civil service retirement plan in order to elect to remain in that retirement plan when moving between employment systems. The change applies to moves occurring on or after December 28, 2001. NAF employers should check their NAF retirement plan documents and make changes, where necessary, to permit employees not yet vested to remain in the NAF plan when they move between employment systems.

Section 1132, "Federal Employment Retirement Credit for Non-Appropriated Fund (NAF) Instrumentality Service," provides Civil Service Retirement System (CSRS) or Federal Employees Retirement System (FERS) covered employees the opportunity to receive retirement credit for prior NAF service to meet eligibility for retirement. Affected employees must accept a reduction in their CSRS or FERS annuity based on the present value of the benefit. This additional service will not increase the retirement annuity. The law applies to separations on or after December 28, 2001. The legislation does not permit employees to receive credit for the same service toward both NAF and APF retirement (that is, no dual credit) and does not permit a CSRS or FERS deposit of NAF employer or employee contributions.

Reemployment of a Civil Service Retirement Service (CSRS) Disability Annuitant

When re-employing a CSRS disability annuitant after a break in service of more than 3 days, there are several factors to consider when making a retirement coverage determination. The Job Aid #8 example in the CSRS and FERS Handbook, Chapter 100 is a good tool to use when re-employing a CSRS annuitant.

The first consideration is whether the annuity will continue. Unless the disability annuitant has been found

recovered or restored to earnings capacity, the annuity will continue during re-employment and the employee will be re-employed as a CSRS employee. If annuity entitlement terminates and the person is re-employed after a break of **less** than a year, he or she is re-employed under CSRS (and the position is excluded from Social Security coverage). If annuity entitlement terminates and the person is re-employed after a break of a **year or more** (break counted from date of separation to date of rehire), he or she is re-employed under CSRS-Offset rules.

The second consideration is the type of appointment (e.g., Career, Career-Conditional, Temporary, Term). When a CSRS annuitant is hired under any type of appointment except intermittent, retirement deductions will not automatically be withheld unless the annuitant elects to have CSRS retirement deductions withheld from pay or elects FERS coverage.

The example above should not be confused with Example #10 (coverage determination for a **Former** CSRS Disability Retiree), in the CSRS and FERS Handbook, Chapter 10. The key word here is "**Former**." This example in the Handbook is for an individual who has lost entitlement to disability annuity.

Watching and Waiting – Legislative Update

In the last FAS TRACK, we reported on several bills in the Congress relating to retirement. Of those bills, H.R. 93, Federal Firefighters Retirement Age Fairness Act, was the only one signed into law (signed into law August 8, 2001, P.L. 107-27). This Act revised the mandatory separation age for firefighters to 57, the same as for law enforcement officers.

One notable legislative change concerned long-term care. The Federal Long Term Care Amendments Act (H.R. 2559) exempts Federal employees' long-term care insurance premiums from state and local taxes. The law (signed into law December 27, 2001, P.L. 107-104) also allows individuals who receive deferred annuities to participate in the long-term care insurance program.

Additionally, this legislation provides that non-appropriated fund service may now be credited under CSRS and FERS at retirement. (See related NAF article in this issue.)

Bills that continue to be of special interest to Federal employees and may receive attention in the second session of the 107th Congress include the following:

- Decrease/eliminate the effects of the Government Pension Offset and the Windfall Elimination provisions of Social Security

law. (S. 611, H.R. 1073, H.R. 848, and H.R. 664).

- Federal retirees payment of health insurance premiums on a pre-tax basis. (S. 1022 and H.R. 2125).
- Increase of government contribution to Federal employees' health insurance premium to about 80 percent instead of the current average of 72 percent. (H.R. 1307)
- Allow Federal employees age 50 or older to contribute more money to their Thrift Savings Plan accounts. (H.R. 3340 and H.R. 3354).

**Social Security and Medicare
Changes for 2002
see chart on page 35**

2002 Training Available

The four-day Retirement Systems and Benefits Programs Review (RSBP) course is ideal for new employee relations specialists or anyone having responsibility for counseling new, current, and separating employees or processing benefits claims. It provides an overview of the following topics:

- Federal Employees Health Benefits (FEHB)
- Federal Employees' Group Life Insurance (FEGLI)

- Thrift Savings Plan (TSP)
- Federal Employees Retirement System (FERS)
- Civil Service Retirement System (CSRS)
- Retirement Coverage Determinations

http://www.cpms.osd.mil/fas/benefits/pdf/200_rg.pdf.

To request on-site training call Pete DeLosh, (703) 696-6301 ext 214 or e-mail benefits@cpms.osd.mil with your request.

This course will be held in Arlington, VA on:

May 20 – 24, 2002
Jul 22 – 26, 2002
Sep 9 – 13, 2002

The Applied Benefits Workshop (ABW) course is targeted for human resources specialists who either have a minimum of one year's experience in benefits or have attended the FAS RSBP course (or a comparable course). This four and one-half day course provides an advanced workshop with the following modules:

- Federal benefits and life events
- Annuity computations (concentrating on unusual cases, such as part-time employees)
- Special retirement systems (firefighters, law enforcement and air traffic controllers)
- Reemployed annuitants
- Non-Appropriated Fund

This course will be held in Arlington, VA:

Jun 17 – 21, 2002
Aug 19 – 23, 2002

If you are interested in attending one of these courses, refer to the How to Request B&E Training Reference Guide at

OPM's Retirement Modernization Effort

Many of you are aware of OPM's Retirement Systems Modernization effort and of the developments associated with that effort. However, you may not be aware of the most recent developments and how they are affecting the Department of Defense. Defense has participated in two new projects: the Coverage Determination Application (CDA), and the Data Exchange Gateway (DEG). The CDA is OPM's automated tool to determine retirement coverage based on service history. We continue to test and work with OPM on the CDA, and expect it to be available later in 2002.

The DEG is up and running. The DEG transfers data on separating employees via the Internet directly from the payroll system to OPM. This means that OPM receives employee information identical to that established by the employee in the personnel system, Defense Civilian Personnel Data System (DCPDS) and the payroll system, Defense Civilian Pay System (DCPS).

So how does this affect us?

- DEG changes the way we counsel employees. Under the old way of doing business, we counseled employees on requirements to reestablish their Federal and state income tax withholding, their EFT information, etc. with OPM. Now, with the transmission of current personal data, the employee's name, mailing address, Federal tax withholding, and EFT information will flow as part of the separating/retiring record. OPM will then use this information to withhold Federal taxes from the employee's annuity, send annuity payments to the employee's financial institution, and send correspondence to the employee's listed address. This will speed retirement processing.
- Retirement counselors must ensure that the appropriate nature of action code (NOAC) is entered into DCPDS. If the NOAC is incorrect, an inappropriate annotation could be recorded on the separation information possibly affecting the status of the retiring employee.

We have provided, for your use, a counseling checklist on pages 30 - 34 to ensure all of the new information is provided to retirees.

A Message on Behalf of the Centers for Disease Control and Prevention

Recent bioterrorist events have involved the intentional delivery of anthrax

through the mail. In response to these events, the [Centers for Disease Control and Prevention](#) have developed an educational video for people who process, sort, or deliver mail. This 15-minute video was developed for persons who work in a variety of settings, from small mailrooms to large processing and distribution centers. The video includes basic information about anthrax, strategies for protecting workers from anthrax exposure, and methods for detecting and responding to a suspicious letter or package. To order copies of this videotape, contact the [Public Health Foundation](#) by phone from 9 a.m. - 5 p.m. (Eastern Daylight Time) at (877) 252-1200 (in the United States) or at (301) 645-7773 (internationally); by fax at (301) 843-0159; or online at <http://bookstore.phf.org/prod204.htm>. You may link to the Centers for Disease Control and Prevention site announcing this video at www.bt.cdc.gov.

Benefits & Entitlements Has Been Asked...

A Collection of Questions From the Field

- Q. The instructions on the new SF 2823, "Designation of Beneficiary," advise enrollees to submit a new beneficiary form if the address of one of the beneficiaries changes. Why is this necessary?**
- A.** The Office of Federal Employees' Group Life Insurance continues to have difficulty locating

beneficiaries when designation forms contain outdated addresses. To correct this problem, enrollees are asked to submit a new designation when their address changes. This new procedure also encourages enrollees to review their designations and make changes when their situations change (e.g., changing the beneficiary after a divorce or birth of a child.)

Reserve Component Military Service

We receive many questions related to civilian employees called to active duty under title 10 and title 32 of the United States Code. The following is quoted from correspondence we received from the Office of Personnel Management, Benefits Officers Resource Center:

Q. Can employees who have been called to active duty retire while on leave without pay?

- A.** Yes, employees who remain on their agency's rolls on leave without pay can retire voluntarily. They do not have to return to duty before retiring. This is true for both regular age and service retirements and early optional retirements. They cannot retire on discontinued service retirement, because under the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA), they have guaranteed restoration rights.

Q. Can employees on leave without pay make a post-1956 military deposit while still on active duty?

- A.** It depends on whether they were called up under title 10 or title 32. Under title 10, employees can make the deposit if they expect to retire while still on active duty, but the deposit must be based on seven percent (or three percent under FERS) of their military earnings. They do not have the option to make the deposit based on what their CSRS or FERS employee contributions would have been for the civilian service had they not entered into the military. USERRA provides that option only to employees who exercise their restoration rights.

Under title 32, the service is creditable only when it interrupts creditable civilian service and it is followed by reemployment under Chapter 43 of title 38. Therefore, an employee on leave without pay because he or she was called up under title 32, cannot pay the military deposit for his current military service. The employee would have to wait until he or she returned to duty. However, the employee could make military deposit for earlier periods of creditable military service.

Q. Will employees receive credit for the time they are on leave without pay if they do not make the military deposit?

- A.** It depends on whether the military service is performed under title 10 or title 32, whether the employee is under CSRS or FERS, and if under CSRS, whether the employee was first covered under CSRS before October 1, 1982. The guidance in Chapter 22, Section 22A6.1-2 of the CSRS and FERS Handbook is correct and applies to both CSRS and FERS employees.

To summarize those rules:

- For employees first covered under CSRS before October 1, 1982, and who are carried on leave without pay while performing military service, their active Federal service under title 10 counts as civilian service in determining length of service for eligibility to retire, in computing the high-3 average salary and in determining whether they meet the “one-out-of-two” requirement, whether or not they pay the military deposit. However, if they qualify for Social Security benefits, they will have to make the military deposit to receive credit for that time in the computation of their retirement benefit.
- For employees first covered under CSRS on or after October

1, 1982, and those covered under FERS, who are carried on leave without pay while performing military service, their active Federal service under title 10 counts only if they make the military deposit. If the deposit is not made, they will receive no credit for the time they are on leave without pay in determining their length of service for eligibility to retire, in computing their high-3 average salary, or in meeting the “one-out-of-two” requirement under CSRS. That means if a CSRS employee decides not to make a military deposit for his current service, he would have to retire within the first year of his leave without pay. If he is on leave without pay for more than a year and does not make the military deposit to make the time creditable, he will not meet the “one-out-of-two” requirement under CSRS. There is no “one-out-of-two” requirement under FERS.

- If a CSRS or FERS employee retires while on leave without pay to perform active National Guard service under title 32, the National Guard service is not creditable military service. The employee does not have the option of paying a military deposit to make the time creditable. Since the time is not creditable as military service, the employee can receive six

months credit for each calendar year he or she is on leave without pay. If the employee returns to duty, exercising his or her restoration rights, the time becomes potentially creditable as military service, and the employee must make a military deposit to receive credit for the time. Once the employee exercises his or her restoration rights, the employee is no longer entitled to six months leave without pay credit in a calendar year.

Employees planning to retire while on leave without pay to perform military service need to also consider whether or not they will be able to continue their health benefits and life insurance into retirement.

Since these issues can be complicated, affected employees should consult their Human Resources Office for a detailed explanation of the rules and the options they may want to consider.

Classifier's Corner

classification@cpms.osd.mil

Draft Job Family Standard (GS-1800 Group)

The Office of Personnel Management has released the draft Job Family Standard (JFS) for Administrative Work in the Investigation,

Enforcement, Inspection, and Compliance Group, GS-1800, for review and comment. This standard groups the covered series into four categories of work: investigation, enforcement, inspection, and compliance. The JFS covers all nonsupervisory two-grade interval administrative positions that perform work in, and require knowledge of these functional areas.

- **Investigation Work** within this JFS is divided into two types:
 - **Administrative Investigation Work** includes three occupational series:
 - General Investigation, GS-1810,
 - Wage and Hour Investigation, GS-1849, and
 - Equal Opportunity Investigation, GS-1860.
 - **Criminal Investigation Work** includes the occupational series:
 - Criminal Investigation, GS-1811, only.
- **Enforcement Work** includes two series:
 - Customs Patrol Enforcement, GS-1884, and
 - Border Patrol Enforcement, GS-1896.
- **Inspection Work** includes three series:
 - Fish and Wildlife Inspection, GS-1813,
 - Immigration Inspection, GS-1816, and
 - Customs Inspection, GS-1890.

- **Compliance Work** includes five series:
 - General Compliance, GS-1801,
 - Mine Safety and Health Compliance, GS-1822,
 - Agricultural Compliance, GS-1850,
 - Alcohol, Tobacco, Firearms, and Explosives Compliance, GS-1854, and
 - Import Compliance, GS-1889.

Copies of the JFS have been electronically transmitted to Component Headquarters for review and comment.

Classification Has Been Asked...

A Collection of Questions From the Field

Q. What is an “interdisciplinary position” and when is it normally used?

- A. This term is used only in connection with classification of professional positions, i.e., positions having a positive education requirement, such as engineers, attorneys, and social workers. It is most frequently used for positions in mathematical, scientific, or engineering disciplines. An interdisciplinary position is one having duties and responsibilities closely related to more than one professional occupation. Consequently, the position may be filled by

individuals qualified in any of the related professional series, and the final classification of the position is dependent on the professional skills of the person selected. For example, it may be appropriate to establish an interdisciplinary position as an Electrical Engineer, GS-850, and an Electronics Engineer, GS-855, since there frequently is a close relationship between the duties performed in these two series. For further details on this subject, see the Office of Personnel Management Classifier’s Handbook.

Q. I am classifying a supervisory job in the Security Administration Series, GS-0080, at my installation. How do I determine whether the position should be titled “Security Officer?”

- A. The title “Security Officer” is reserved for the most senior position in an installation’s security program; there can be only one Security Officer for each organizational unit. Security Officers develop, install, and manage the security program for an organizational segment, installation, or unit. At the local level they are subject only to administrative supervision and control, although they typically receive policy and technical guidance from higher organizational echelons. Security Officer positions are graded using the criteria in the Position

Classification Standard for the Security Administration Series, GS-0080.

Q. Can an employee file an appeal on a position he/she is no longer assigned to?

- A. No. Employees can appeal the title, series, grade, and pay plan of their current official position only.

Q. I am assigned to a GS-303-5, Office Clerk position but am currently detailed to an unclassified set of duties. Can I appeal the unclassified position description?

- A. When an employee is detailed to an unclassified set of duties, he/she remains officially assigned to a classified position description, and can appeal the classification of that position only. Concerns about details should be discussed with the supervisor.

Q. What series should be used to classify computer positions?

- A. A job family position classification standard for Administrative Work in the Information Technology Group, GS-2200, was published by the Office of Personnel Management in May 2001. As stated on page three of this standard, the Computer Specialist, GS-334, series was cancelled and replaced by the Information Technology Management Series, GS-2210. The GS-2210 series

covers two-grade interval administrative positions that manage, supervise, lead, administer, develop, deliver, and support information technology (IT) systems and services. This series covers only those positions for which the paramount requirement is knowledge of IT principles, concepts, and methods (e.g., data storage, software applications, networking). Although some positions may include administrative work requiring IT knowledge and skills, classification to the Information Technology Group, GS-2200 may not be appropriate. To select the appropriate series, you must determine the paramount knowledge, i.e., the most important subject-matter knowledge required to perform the primary duties of the position. To determine the paramount knowledge, you must also consider the primary purpose for the position's existence, the most important qualification(s) required, recruitment sources, career progression, and the background knowledge required. The table on page 21 of the standard suggests other series that may be used for classification of positions that include work requiring some IT knowledge, but for which IT knowledge is not paramount.

Q. Is "Fire Chief" an official title to be used on personnel actions or for other documentation purposes, or is the official title

**“Supervisory Firefighter”?
What titles should be used for
the positions of assistant fire
chief, station chief, and crew
chief?**

- A. The title of Fire Chief is prescribed by the Position Classification Standard for the Fire Protection and Prevention Series, GS-0081, for positions that have responsibility for managing and supervising fire protection and fire prevention programs for one or more installations. This means that the title used on notifications of personnel action, position descriptions, and other personnel and pay documents, for the head of the entire fire program for an installation, or for several installations, is “Fire Chief.” Other supervisory positions, however, carry official titles beginning with the term “Supervisory,” provided they meet the General Schedule Supervisory Guide requirements to be classified as supervisors. Some positions with the official title of Supervisory Firefighter, as shown on personnel and pay documents, are referred to as Assistant Fire Chief and Station Chief for organizational and functional purposes. However, Assistant Fire Chief and Station Chief are not official titles. The GS-0081 classification standard provides grading criteria in terms of these commonly used functional titles. Crew Chiefs, in contrast, are not supervisors. The term “Crew Chief” is commonly used in the

firefighting occupation to describe a firefighter leader. Consequently, the official title shown on personnel and pay documents for Crew Chief positions is Lead Firefighter.

Pay & Hours Of Work

pay@cpms.osd.mil

Military Leave for Funeral Honors

Federal employees serving in the Reserves or National Guard may now use part of their 15 days of military leave for funeral honors duty. Section 563 of Public Law 107-107, National Defense Authorization Act for Fiscal Year 2002 (effective December 28, 2001), amended section 6323(a)(1) of title 5, United States Code (U.S.C.) to include this provision. Under 5 U.S.C. 6323(a), an employee is entitled to military leave without loss of pay, time, performance or efficiency rating for active duty, inactive-duty training, funeral honors duty, or engaging in field or coast defense training. An employee on military leave under section 6323(a) is entitled to receive both civilian and military pay.

Section 562 of Public Law 107-107 amended Section 12503(a) of title 10, United States Code, and Section 115(a) of title 32, United States Code, to stipulate that funeral honors duty is treated as inactive-duty training. These

amendments apply to funeral honors duty performed on or after October 30, 2000.

Employees who request military leave for funeral honors duty will be charged only the amount of military leave necessary to cover the period spent performing such duty and necessary travel. Congress enacted these provisions to support funeral honors for veterans' funerals.

Frequent Flyer Miles

Federal employees traveling on official business may now keep promotional items for their personal use. Promotional items include frequent flyer miles, upgrades, and access to carrier clubs or facilities. The items, however, must be obtained under the same conditions as those offered to the general public and at no additional Government cost. Section 1116 of the National Defense Authorization Act for Fiscal Year 2002 authorizes the new benefit and repeals a 1994 law that limited such frequent-traveler programs to be used for official travel only. The measure is effective immediately and includes benefits earned before December 28, 2001, the date P.L. 107-107 was signed.

The General Services Administration (GSA) is amending pertinent provisions of the Federal Travel Regulations (FTR) to implement this change. Meanwhile, GSA has issued a travel advisory explaining how the new benefit works. The advisory may be accessed at

<http://www.gsa.gov/Portal/home.jsp>.

The Per Diem, Travel and Transportation Allowance Committee, which implements the FTR for the Department of Defense, is rewriting paragraph C1200 of the Joint Travel Regulations, Volume 2.

IRS announces that frequent flier miles or other in-kind promotional benefits attributable to a taxpayer's business or official travel do not affect the taxpayer's federal tax liability (i.e., they are not taxable). This does not apply to promotion benefits converted to cash, to compensation paid in the form of travel or other promotional benefits, or in other circumstances where the benefits are used for tax avoidance purposes. See IRS announcement 2002-18, Frequent Flyer Miles Attributable to Business or Official Travel for further information.

Danger Pay

The Secretary of State approved a 25 percent danger pay allowance under Section 652f of the Department of State Standardized Regulations (DSSR) for Afghanistan, effective December 2, 2001. Danger pay allowances provide additional compensation to Federal employees serving in foreign areas where civil insurrection, civil war, terrorism, or wartime conditions exist. Employees on temporary detail to a danger pay post or area for any period exceeding four consecutive hours receive danger pay beginning that day for the full day.

Hostile Fire Pay

The National Defense Authorization Act, Public Law 107-107, modified title 5, United States Code, by adding section 5949. This new section allows payment of hostile fire pay to civilian employees and is similar to the benefit received by military members. The change in the law was effective September 11, 2001. On March 27, 2002, Department of Defense Components were authorized to process payments for civilian employees affected by the terrorist attacks on September 11, 2001.

Group Retention Allowances

By memorandum dated November 16, 2001, requests for *group retention allowances of up to 10 percent of basic pay* are no longer approved by the Deputy Assistant Secretary of Defense (Civilian Personnel Policy). DoD Components may now authorize this allowance. To implement this policy change, SC575.4.2.1.7.1 is being removed from Subchapter 575 of the DoD 1400.25-M, "DoD Civilian Personnel Manual" (DoD CPM). The November 16, 2001, memorandum will remain in effect until the CPM is modified. If you would like a copy of the memorandum, please e-mail us at pay@cpms.osd.mil.

2002 Mileage Reimbursement Rates

Effective January 21, 2002, the mileage rates for local and TDY travel are:

Privately Owned Conveyance (POC)	Rate Per Mile
Airplane	\$0.975
Automobile	\$0.365
Motorcycle	\$0.280
POC Use Instead of a Gov't-furnished Vehicle	\$0.285
POC Use Not Advantageous to the Government	\$0.105

Pay Setting Seminars

The Pay Team will present a 2-day seminar that covers the essentials of pay setting for General Schedule and Federal Wage System employees on the following dates:

July 17-18, 2002
October 23-24, 2002

This training is appropriate for Personnelists who have at least six months of pay-setting experience. The objectives of the seminar are: 1) to apply a better understanding of basic Government-wide and DoD pay-setting policies and flexibilities; 2) to set pay for various types of personnel actions; and 3) to improve the accuracy and consistency in pay setting. The

seminars will be presented through lecture, classroom discussion and workshop exercises. Each participant will receive a handbook that can be used as a desk reference.

There is no tuition for the training; however, attendees will be responsible for their travel and per diem expenses, if applicable. The seminars will be held at 1400 Key Boulevard, Arlington, Virginia, which is convenient to the Rosslyn Metro stop. Seating is limited. If you are interested in attending one of these seminars, please call Gary Pugh on the Pay Team at (703) 696-6301, ext. 557, or DSN 426-6301, ext. 557, as soon as possible to reserve a space.

Personnel Changes

Vicki Draper, a charter member of the Pay Team, recently departed Field Advisory Services for a promotion. She is now the premium pay team leader for the Office of Personnel Management's Compensation Administration. Vicki's expertise and professionalism will be missed.

Meanwhile, we are happy to welcome Gary Pugh as a new Pay Team member. He comes to us from the Department of Defense Education Activity. Please add Gary's extension, 557, to your Pay Team phone list.

Pay Has Been Asked...

A Collection of Questions From the Field

Q. I have an employee who is a member of the National Guard. His unit has been activated, at the request of the Governor, to provide additional security at the local airport under 32 U.S.C. 502(f). Because he is performing military duty in support of civil authorities in the protection of life and liberty, he is entitled to the 22 days of military leave under 5 U.S.C. 6323(b) in addition to the 15 day of paid military leave under 5 U.S.C. 6323(a) for active duty, active duty training, or inactive duty training. My questions is: Must he exhaust his 22 days of military leave before he can use the 15 days?

A. No. Prior to the enactment of the Uniformed Service and Employment and Reemployment Rights Act (USERRA), it was true that an employee was required to exhaust the 22 days of military leave under 5 U.S.C. 6323(b) before using the 15 days of military leave under 5 U.S.C. 6323(a), based on a decision made by the Comptroller General. (See 49 Comp Gen 233(1969).) This ruling, however, is no longer relevant. OPM's regulations at 5 CFR 353.208 implements the

USERRA. That regulation states that an employee performing service with the uniformed services must be permitted, upon request, to use any accrued annual or military leave during such service.

Campaigns” is the only accurate way to verify creditable uniformed service for leave accrual service computations date purposes. Copies of this form and instructions for its use are available at <http://www.opm.gov/forms>.

Staffing Notes

staffing@cpms.osd.mil

Restrictions On Leave Accrual Credit For Military Retirees

Section 6303 of title 5, United States Code limits the amount of leave accrual credit military retirees can receive for their active duty service. Generally, service credit for military retirees is limited to “service in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized.” This means retirees receive credit for annual leave accrual based only on the time spent in the campaign area. DoD Manual 1348.33-M, “Manual of Military Decorations and Awards,” provides guidance in determining eligibility criteria for all DoD decorations, campaign medals, and awards. For retirees, the DD214 generally does not contain the information needed to properly evaluate service credit. Therefore, the military branch in which the person served must verify uniformed service. The SF-813, “Verification of a Military Retiree’s Service in Nonwartime

Staffing Has Been Asked...

A Collection of Questions From the Field

- Q. Is less than an 80-hour biweekly basic work requirement considered a full-time schedule?**
- A.** No. With the exception of an alternative work schedule, full-time employees must have a basic administrative workweek of 40 hours generally scheduled on 5 days (5 USC 6101(a)(2)). Part-time employees’ basic administrative workweeks may not total fewer than 16 hours nor more than 32 hours per week (5 USC 3401(2)). Intermittent employees may work any number of hours from 0 to 40 per week as long as the hours are not regularly scheduled (5 CFR 340.401(b)).
- Q. Can a retired military member be hired while on terminal leave?**
- A.** Yes. Title 5, United States Code, section 5534a., *Dual employment and pay during terminal leave from uniformed services*, authorizes the hiring of an individual on terminal leave pending retirement from the military. As long as the service member is pending separation under honorable conditions, he/she

may accept a civilian position. The individual is entitled to receive the pay of that position in addition to pay and allowances from the uniformed services for the unexpired portion of the terminal leave.

Q. Can applicants with “derived Veterans’ Preference” be given a Veterans’ Readjustment Appointment (VRA) or Veterans Employment Opportunity Act (VEOA) appointment?

- A.** Veterans’ preference eligibility alone does not qualify an individual for a VRA appointment (5 CFR Part 307). Therefore, a widow or spouse with “derived preference” cannot be given a VRA appointment. Under VEOA, preference eligibility alone is qualifying for VEOA appointments (5 CFR 315.611(a)), so individuals entitled to “derived preference” can be given a VEOA appointment.

When verifying military service, always request the MEMBER 4 COPY of the DD214. It is the only page of the document that contains the type and character of discharge.

Delegated Examining & Overseas Staffing

deu@cpms.osd.mil

Why Define Specialized Experience Requirements?

Many vacancy announcements issued by Department of Defense activities generically describe specialized experience, i.e., *“Specialized experience is experience that has equipped the applicant with the particular knowledge, skills, and abilities to perform successfully the duties of the position, and that is typically in or related to the position to be filled. To be creditable, specialized experience must have been equivalent to at least the next lower grade.”* This statement is not intended to specifically inform an applicant of the actual experience required for the position being filled.

To avoid confusion, a clear, position-specific statement defining specialized experience should be included in the announcement. This will:

- Help the applicant understand the specific experience requirements to qualify for the vacancy;
- Meet the Office of Personnel Management (OPM) requirement to define specialized experience as outlined in its *Qualifications Standards Operating Manual*, (see General Policies and Instructions

section, paragraph E.3.c (page II-7)) and in its November 1997 *Examiner Note* which emphasizes that specialized experience and job-specific requirements must be defined in vacancy announcements;

- Assist agencies in successfully demonstrating that an applicant is not qualified for a position based on a determination that specialized experience is not met; and
- Assist the applicant in preparing a better application while helping the agency make better qualifications decisions.

Please take time to review your announcements in light of OPM requirements and improve those that are too generic. For assistance, contact the DEU Oversight Section on (703) 696-6301, press 4, and then press 1; or via e-mail at deu@cpms.osd.mil.

Delegated Examining Workload Reports

The delegated examining agreement between the U.S. Office of Personnel Management (OPM) and the Department of Defense (DoD) requires that Delegated Examining Units (DEUs) submit quarterly workload reports of their examining activity to their appropriate OPM Service Center. Each DEU, whether servicing single or multiple sites, submits only one consolidated quarterly report reflecting all examining activity. Reporting criteria and instructions, as well as a report form can be found in Section 9.2 and Appendix K of the Delegated

Examining Operations Handbook (Inst 5, October 1999). Reports are due 15 workdays after the end of the reporting quarter.

DEUs are also required to furnish a copy of their workload reports to FAS, Staffing Branch, Delegated Examining Oversight Section, at the same time reports are submitted to OPM. Reports may be submitted to FAS electronically to deu@cpms.osd.mil or faxed to (703) 696-3459, DSN 426-3459.

Filling Temporary Positions

Delegated examining authority must be applied when competitively filling temporary positions. In November 1998, the U.S. Office of Personnel Management (OPM) issued final regulations amending 5 CFR 316, requiring that competitive procedures be used to fill term and temporary limited (not-to-exceed one year) positions. Outside-the-register, i.e. non competitive procedures under 5 CFR 333, may not be used to fill term positions. According to 5 CFR 316.402, outside-the-register procedures may be used when filling temporary limited positions only when there are insufficient eligibles on the register. This means that the appropriate competitive register, established by the Delegated Examining Unit (DEU), or by OPM, must be exhausted before outside-the-register procedures may be implemented. If a competitive register was never established, or if there are

candidates remaining on the register, then 5 CFR 333 procedures may not be used.

Temporary positions may be filled using noncompetitive appointing authorities identified in 5 CFR 316.302 (term) and 5 CFR 316.402 (temporary limited).

Labor Relations

labor_relations@cpms.osd.mil

How To Interpret Laws, Regulations and Contracts

Inevitably, disputes will arise as to what a statute, regulation, or contract means and the labor relations specialist will be called upon to interpret the language and render advice or may even be called upon to prepare an argument as to what the language means for a third party proceeding. It is therefore useful to know the rules that courts and other third parties use to interpret the written language of a law, regulation, or contract.

These rules basically fall in three main categories; we suggest that when interpreting a written document, you follow these rules in the order given:

1. Determine the plain meaning.
2. Establish surrounding context of the document.

3. Obtain understanding of document by utilizing outside information.

As the United States Supreme Court has explained: “[I]n interpreting a statute a court should always turn to one cardinal canon before all others...[C]ourts must presume that a legislature says in a statute what it means and means in a statute what it says there.” Connecticut National Bank v. Germain, 112 S. Ct. 1146, 1149 (1992). “When the words of a statute are unambiguous, then, this first canon is also the last: ‘judicial inquiry is complete.’” *Id.*

This basic rule equally applies to interpretation of regulations and contracts. If there is no ambiguity in the language, then this language is normally what you are stuck with, regardless of the consequences.

Of course, nothing is ever that simple and there is always some form of ambiguity that arises, so that the next step in the interpretation of a law, regulation, or contract is to look at the context in which the disputed language is found. This step is sometimes referred to as “looking at the four corners of the document.” Looking at the totality of the document in which the disputed language is found can prove helpful in determining the intent of the disputed language itself because you see the language in the context of the preceding and following expressions. So, for example, the meaning of the sentence, “Announcements will not be

segregated,” might be determined by seeing if the sentences preceding or following discussed veteran’s preference, race, or occupation type.

If the ambiguity exists after applying these first two basic rules, then the interpretation of the language becomes considerably more complicated. Now you must look at outside information to assist in your interpretation efforts. Here are some useful items to consider:

- Historical context – what did the framers say about the language?
- Public policy context – what were the parties trying to resolve?
- Canons of construction – numerous rules of interpretation developed by legal scholars on how to interpret written language such as: when a peculiar meaning has been stamped upon the words by the usage of a particular trade or place in which the document occurs, such technical or peculiar meaning will prevail. One helpful reference book is Restatement of the Law Second, Contracts, in which there is an incredible amount of useful information on the subject of interpreting written documents.

In the field of labor relations interpreting written documents is one of the main functions of the job. Knowing the proper way to do that should be something that you devote your time to. This endeavor has become even more important since the

United States Supreme Court has substantially limited the deference formerly given to an agency in the interpretation of the statute it has been authorized to enforce. See United States v. Mead Corporation, 121 S Ct. 2164 (2001). Now, if the right opportunity and circumstances arise, one can even argue that the agency’s regulation doesn’t say what the agency claims it says. Our hope is that this little bit of guidance will spark you on your way to fine tuning your ability to interpret written guidance.

Issues Relating to Gate Inspections

The statutory authority to conduct gate inspections at DoD facilities is contained in Section 797 of 50 U.S.C. (Section 21 of the “Internal Security Act of 1950”). The Secretary of Defense has implemented that statute through Department of Defense Directive (DODD) 5200.8, Security of DoD Installations and Resources, dated April 25, 1991. In paragraph 4, it has noted that the “Secretaries of the Military Departments and the Heads of the Other DoD Components” are responsible for establishing policies and procedures to implement the Directive.

Negotiability Decisions. The issue of gate inspection concerns agency security practices. The relationship between agency security practices and negotiable proposals was highlighted in AFGE Local 987 and Dept. of Air Force, Robins AFB, 37 FLRA 197, 200

(1990): “An agency’s right to determine its internal security practices under section 7106(a)(1) of the Statute includes the right to determine policies and take actions which are part of its plan to secure or safeguard its personnel and physical property.”

It is well established in Authority case law that where the agency shows a reasonable link between a management practice, like gate inspections, and the security of its operations, the practice falls within the scope of section 7106(a)(1), to determine internal security practices. See for example, POPA and Commerce, PTO, Washington DC, 56 FLRA No. 10, February 29, 2000, (proposal 31). In determining the negotiability of a proposal, the Authority will not examine the extent to which the practices employed by management to achieve its security goals actually facilitate the accomplishment of those goals, so long as the “reasonable link” is established. See for example, IBPO and Dept. of Army, Watervliet Arsenal, 46 FLRA 333, 337 (1992).

Where a proposal is found to directly interfere with management’s right to determine internal security practices, the same proposal cannot be characterized as a negotiable procedure under 5 USC 7106(b)(2). See AFGE Local 987 and Air Force, Robins AFB, cited above. However, a union proposal which addresses certain indirect consequences might constitute a proposed “appropriate arrangement” as described in 5 USC 7106(b)(3). A few proposals relating to gate

inspections have been held to be negotiable as appropriate arrangements. See for example, NAGE Local R14-22 and HQs, U.S. Army Air Defense Artillery Center, Fort Bliss, Texas, 45 FLRA 949, 967-68 (1992).

However, at Fort Bliss, TX, seven other proposals that would have regulated the means and methods of gate inspections were found nonnegotiable, because of impairment of internal security, and were inappropriate as an arrangement under section 7106(b)(3) of the Statute. Some of these proposals include allowing a union representative to observe gate inspections and conferring with employees prior to the inspection, and distributing to employees information concerning their rights during the inspection period.

Merit Systems Protection

Board Decisions. The Board, in a number of decisions, has addressed the use of evidence seized during gate inspections, internal base inspections and vehicle searches to take disciplinary action against the employee driver. In defending these appeals, management may take a two-pronged approach. First, management might argue that the search and seizure clause of the Fourth Amendment to the Constitution cannot be applied to exclude evidence (even if illegally seized) in a Board proceeding. See Delk v. Department of Interior, 57 MSPR 528 (1993). Second, management may argue that the employee has given his or her implied consent to any inspection or search by

entry on the installation where appropriate notice is given. See for example, McClain v. Navy, 20 MSPR 464 (1984); Scheurman v. Army, 29 MSPR 313 (1985); and Wiley v. DOJ, 89 MSPR 542 (2001).

In Wiley, the Board sustained the agency's removal action of the appellant, a teacher in a Federal correctional institution, for refusing to submit to a search of his vehicle on the agency's premises. The significance of the Wiley case is that the Board considers that a reasonable person who entered the gate has consented to the search because of the sign posted at the entrance of the facility. In its analysis the Board noted, "Consent to search may be inferred from nonverbal actions...courts have held that the act of driving a vehicle onto a federal installation may constitute consent to a search of the vehicle while it is on the installation's grounds, when the driver is shown to have knowingly and voluntarily waived his Fourth Amendment rights with respect to such a search."

Employees who refuse to consent to an inspection of their vehicle could be denied access to the installation. These employees, who are prevented by their own actions from reporting to work during their scheduled duty hours, could suffer a loss of leave or pay, and may also be subject to disciplinary actions, depending on the specific circumstances, and the applicable government-wide, Component and local policies and regulations. Employees may also be disciplined if

contraband is discovered during an inspection or search. Fourth Amendment claims present complex legal issues; we recommend that you consult the appropriate legal office for advice when preparing cases that involve attempts to exclude evidence based upon a Fourth Amendment argument.

As noted above, each Component has specific policies and guidelines related to gate inspections. Additionally, in overseas areas, there may be international, country-to-country, or status of forces agreements that address this issue. You should reference Component and local policies and guidelines regarding gate inspections at your installation.

A more detailed reference guide on Gate Inspections can be found on our website at www.cpms.osd.mil/fas. If you have any questions about union proposals on this topic, please contact the Field Advisory Services, Labor and Employee Relations Branch, at (703) 696-6301, Press 3. Our DSN is 426-6301.

Secretary of Defense Medal for the Defense of Freedom

On September 20, 2001, the Deputy Secretary of Defense approved a new medal to be awarded to the Department's civilian employees who are killed or seriously wounded as a result of hostile actions. The first issuance of the medal was authorized personally by the Secretary of Defense

to acknowledge the sacrifice of DoD civilian personnel who perished or were seriously injured in the terrorist attacks of September 11, 2001, against the World Trade Center and the Pentagon.

Commonly called the “Defense of Freedom Medal” (DFM), this medal was created to acknowledge the extraordinary fidelity and essential service of the Department’s civilian employees, whose contributions are integral to preserving our nation’s security.

Any individual who is eligible for awards under DoD 1400.25-M, Subchapter 451, “Awards,” is eligible to be awarded the DFM if he or she meets the qualifying conditions. Additionally, the Secretary of Defense has discretionary authority to award the DFM to non-Defense personnel who are otherwise qualified to receive the medal based upon their involvement in DoD activities. Conditions for award of the DFM are aligned as closely as practicable to those of the Purple Heart for military personnel.

In a memorandum dated October 4, 2001, for any future qualifying events, the Assistant Secretary of Defense (Force Management Personnel) delegated authority to award the DFM to the Heads of the DoD Components. Additionally, the memorandum spells out eligibility and qualifying conditions. Each Component will develop DFM administrative and procedural instructions for its respective employees.

A copy of the medal may be viewed on the CPMS website.

Regionalization And Systems Modernization

<http://www.cpms.osd.mil/pmo/homepage.htm>

Modern DCPDS Oracle 11i Migration

The CPMS Regionalization and Systems Modernization Division is working on plans to upgrade the underlying database and application software of the modern Defense Civilian Personnel Data System, transforming the basic modern DCPDS application from a client-server to a web-enabled application. Users will be able to access the system via a standard web browser, such as Internet Explorer or Netscape Navigator. The project involves “migrating” the Oracle HR software from version 10.7 to release 11i (the small “i” signifies Oracle Corporation’s move to an Internet-based computing architecture). Included in the migration is the upgrade of the database software from version 7.3.4.5 to 8i. The new version of the software takes advantage of web technology, so there will no longer be a need to load and update client software at each user workstation. The “client” will be replaced by a Java applet that runs in the web browser, and will be updated automatically when new

patches or releases are fielded. Also, users can expect an improved look and feel that is more user-friendly, is easier to navigate, and provides added functionality. CPMS plans to complete the system upgrade during the latter half of 2002.

RESUMIX

Resumix, the DoD automated staffing tool, version 6.2 was released in December 2001. There are four key upgrades in this release: (1) automated duplicate resume handling; (2) a reinstatement of Resumix features, including a file storage folder and a candidate search capability by Requisition ID; (3) enhanced email resume handling; and (4) additional features, such as spell check in the Requisition text field as well as defined search capabilities. CPMS is scheduling DoD testing for late January 2002, with release expected mid-February.

The New Complaints and Appeals Tracking System

The CPMS Regionalization and Systems Modernization Division fielded a newly designed Complaints Action Tracking System (CATS) module in March 2002, as a feature of the modern Defense Civilian Personnel Data System (DCPDS). The CATS module is designed to track the progress of individual and class discrimination complaints filed against DoD activities. The new module includes regulatory changes to the

complaints process and enhanced functionality.

CATS will be used in a variety of ways to manage discrimination complaints. Some of the primary uses will include the preparation of Equal Employment Opportunity Commission (EEOC) reports on complaint activity, creation of statistical reports for use by management, development of profiles for trend analysis, and production of information for investigations, hearings and court cases.

The enhanced functionality of CATS provides the capability to identify contacts, calculate average number of processing days, assign activity and docket control numbers, generate case tracking data, and calculate costs. Within 6 months of fielding CATS, additional functionality is planned for generating reports, such as the EEOC form 462 report, EEO Counselor checklist, EEO Counselor's report, and ad hoc reports including trend analysis capability. CATS will be easy to use, featuring a menu-driven Windows format with easy point-and-click maneuvering. The system will automatically populate data from the modern DCPDS to CATS screens, thereby reducing duplicative data entry and redundant operations.

Modern Defense Civilian Personnel Data System (DCPDS) Deployment

The deployment of the modern Defense Civilian Personnel Data System

(DCPDS) is nearing completion. When fully deployed, this system will support approximately 800,000 civilian employees, worldwide. This will make the modern DCPDS the largest known HR data system in the world.

To date, the modern DCPDS has been deployed to all of DoD except for three Air Logistics Centers (Robins AFB, GA; Wright-Patterson AFB, OH; and Oklahoma City, OK). These three remaining sites are scheduled to be deployed June 2002. The chart on page 28 depicts actual deployment dates for all sites.

Civilian Assistance and Re-Employment (CARE)

Distance Learning Center

The new *CPMS, CARE Distance Learning Center* provides no-cost on-line training opportunities for DoD personnelists with Priority Placement Program (PPP) responsibilities. The first course deployed (Navigating and Using the ASARS Web) familiarizes students with the procedures required to navigate and operate the DoD Automated Stopper and Referral System (ASARS).

To take the course, log-on (you must have an account) to the ASARS Web (<http://asars.cpms.osd.mil/>) and click

the "E-Learning" button on the left side of the Main Menu screen. Once you have completed the Student Registration Form, you will be ready to start taking the course, which includes a printable certificate of completion. Personnelists without an ASARS Web account should ask their ASARS System Administrator to help in obtaining a "student" account. A DD-1556 is not required to take this on-line course.

For additional information, please contact, Ms. Sharon Dewitt, Chief, Priority Placement Support Branch, (703) 937 257-4991 (DSN 426) or send an e-mail to: <mailto:dewitts@cpms.osd.mil>.

Additional courses are being developed; some will be deployed during FY 2002. We hope you will learn and benefit from the courses in the *CPMS, CARE Distance Learning Center*!

Separation Incentive Payments by Installment

The Fiscal Year (FY) 2001 National Defense Authorization Act (NDAA) (Public Law 106-398) amends title 5 United States Code, § 5597, and authorizes the Department of Defense to pay traditional and special workforce restructuring separation incentives (buyouts) in lump sum or installments. The Deputy Assistant Secretary of Defense (Civilian Personnel Policy) issued implementing guidance by memorandum dated January 4, 2002,

subject: Authority to Pay Buyouts by Installment. You may view the memo at <http://www.cpms.osd.mil/care/pdf/atpb.bi.pdf>.

The Department, in addition to providing the buyouts in lump sum, will allow payment of buyouts in two installment options. Under the first option, employees may receive their buyout in equal biweekly payments (at a rate selected by the employee) until the full amount of the buyout is paid. The biweekly installment payments may not extend beyond one year from the date of separation. Under the second option, employees will receive their buyout in two payments (one-half of the buyout six months following separation, and the remaining half six months later). You should direct any questions concerning the buyout payment options to the CARE Division staff at (703) 696-1799 (DSN prefix 426).

Special Workforce Restructuring Buyout and Early Retirement Authority

Section 1133, of the FY 2002 NDAA (Public Law 107-107), authorizes the Department to continue to offer special workforce restructuring buyouts during FY 2002 and 2003. However, the law limits the use to not more than 2,000 employees in FY 2002 and 6,000 in 2003. The FY 2001 NDAA limitation to only use the special buyouts for employees eligible for optional retirement no longer applies. Special

buyouts may now be used with optional or early retirements and resignations.

The implementing guidance is posted on the CPMS web site at <http://www.cpms.osd.mil/care/pdf/swrba.pdf>. Please contact the CARE staff at (703) 696-1799 (DSN: 426), if there are any questions.

Pilot Program for Payment of Retraining Expenses

Section 1102, of the FY 2002 NDAA (Public Law 107-107), provides authority to the Secretary of Defense to establish a pilot program to facilitate the reemployment of eligible employees (including employees of DoD non-appropriated fund instrumentalities (NAFI)).

Employees who are involuntarily separated due to a reduction in force, relocation as a result of a transfer of function, realignment, or change of duty station are eligible. Under the pilot program, the Secretary may pay retraining incentives up to \$10,000 to encourage non-Federal employers to hire and retain an eligible employee. The implementing guidance will be posted on the CPMS web site as soon as it is available. Questions concerning the Pilot Program for Payment of Retraining Expenses should be directed to the CARE staff at 703-696-1799 (DSN: 426) or for NAFI questions, the NAF Personnel Policy Office staff at (703) 696-3310.

**CPMS EMPLOYMENT
CORNER**

(HROC) job opportunities web site at
<http://www.hroc.dla.mil/joas> and on
the OPM jobs bulletin board at
<http://www.usajobs.opm.gov>.

CPMS job vacancies are posted on the
Human Resources Operations Center



JAMES A. WACHTER
Chief, Field Advisory Services
Defense Civilian Personnel Management Service

**Modern Defense Civilian Personnel Data
System (DCPDS) Deployment Chart**

Schedule	Date	Location
Army – Pacific	October 15, 1999	Ft. Richardson, AK
Navy – Northwest	November 12, 199	Silverdale, WA
Air Force Partial	November 12, 1999	San Antonio, TX
Army – Southwest	October 13, 2000	Ft. Riley, KS
Army – North Central	November 24, 2000	Rock Island, IL
Air Force Partial	November 24, 2000	San Antonio, TX
Army – Northeast	March 16, 2001	Aberdeen Prov Gd, MD
DFAS	April 13, 2001	Indianapolis, IN
Army – West	April 13, 2001	Ft. Huachuca, AZ
Navy – EastPac	April 27, 2001	Honolulu, HI
Army – ANCR	April 27, 2001	Ft. Belvoir, VA
Navy – East	May 25, 2001	Portsmouth, VA
Army – South Central	May 25, 2001	Redstone Arsenal, AL
DeCA	June 8, 2001	Alexandria, VA
Army - Southeast	June 22, 2001	Ft. Benning, GA
Navy - Southwest	June 22, 2001	San Diego, CA
Navy Northeast	July 20, 2001	Philadelphia, PA
Navy - Southeast	August 3, 2001	Stennis Space Ctr, MS
WHS	August 17, 2001	Alexandria, VA
DLA	August 31, 2001	Columbus, OH
Army - Korea	October 26, 2001	Korea
DoDEA	October 26, 2001	Arlington, VA
Navy WestPac	November 9, 2001	Honolulu, HI
Air Force Partial	November 9, 2001	San Antonio, TX
Army - Europe	February 1, 2002	Germany
Navy - Europe	February 1, 2002	England
Air Force	February 15, 2002	CONUS & OCONUS
National Guard Bureau	March 15, 2002	San Antonio, TX
AFMC Sites (3)	June 2002	Robins, Oklahoma City, and Wright-Patterson

Checklist For Counseling Retirees

*This checklist provides new information to ensure that you are aware of the immediate transfer of data to OPM. This means that the information used by payroll for electronic fund transfer (EFT), mailing address, Federal and State income tax withholding, etc., will flow to OPM from the Defense Civilian Pay System (DCPS) data base. If this information is not correct, you should ensure that changes are made prior to your retirement. OPM will use whatever is sent by payroll as the current information for annuity payments and to communicate with you upon retirement. **The bold statements indicate a new change.***

_____ INCOME TAX: ***OPM will automatically withhold Federal tax from your annuity at the rate you established as an employee.*** After your annuity is established, your Federal tax status continues. You can make changes by accessing the OPM web site. OPM does not automatically withhold state income tax. OPM has agreements with some states to allow the withholding of state income taxes from annuity payments. You can contact OPM directly if you wish to have state tax withheld from your annuity.

_____ COMPLETING THE “NAME” INFORMATION: ***When you complete your retirement application, always use your “official” name that is used on your payroll records. It is important that your name matches the payroll record. Ensure that you use the full name to include suffixes, such as Jr., III, etc.***

_____ PERMANENT ADDRESS: ***The address that payroll has (where you receive your Leave and Earnings Statement, W-2 forms, check (if no EFT), etc.) will be forwarded to OPM.*** OPM will send your retirement information to this address. If this address is not correct, you should notify payroll before retirement.

_____ DIRECT DEPOSIT: ***When your data record is transferred to OPM, your current EFT information will flow to OPM.*** Your annuity payments will be deposited into the same account that your salary was deposited. However, allotments are not part of the transmission and will be discontinued.

_____ RECORDS: Ensure that all documents to support relevant periods of service (DD 214s for military service, statements for deposit payments for civilian service, etc.) are included with your retirement application. In addition, if you have previous periods of service recorded under other names, ensure those names are recorded in the appropriate block on your application.

_____ COMMENCEMENT DATE OF ANNUITY: If you retire voluntarily under the Civil Service Retirement System (CSRS), you can set your retirement date for the first, second, or third day of the month, and your annuity begins to accrue the following day. If

you retire voluntarily on the fourth day or after, you will not begin to accrue an annuity until the following month. If you retire under the Federal Employees Retirement System (FERS), your annuity will begin to accrue the first day of the following month that you retired. For FERS, if you retire on April 1, you will not start to accrue an annuity until May 1, to be paid June 1. However, if you set your retirement date on March 30, your annuity will begin to accrue on April 1, to be paid May 1.

ANNUAL LEAVE: Upon separation from Federal service, you will receive a lump sum payment for your annual leave, which includes your regular carryover balance from the previous year, if any; plus accrued and unused annual leave during the current leave year; plus any restored annual leave maintained in a separate account. Retiring before your last scheduled work day of a pay period will not earn leave for the final pay period. Taxes are applied to lump-sum payments in the year in which you receive the money. Example: An employee retiring September 30 could incur a larger tax burden by collecting almost a full year's salary plus a large lump-sum payment for unused annual leave. Your lump sum payment is subject to withholdings for Social Security (if applicable), Medicare, Federal, and State income tax.

CREDIT FOR SICK LEAVE: Under CSRS, the total creditable service will include civilian, military, and sick leave to compute your annuity payments. The total is then rounded down to include full years and full months (excluding the days). If you elected FERS, you will receive credit for sick leave in your CSRS portion of the annuity computation, based on the lesser of (1) the amount of sick leave at the time of retirement or (2) the amount of sick leave when FERS was elected. If you are full FERS, you do not receive credit for sick leave for annuity computation.

COST-OF-LIVING ADJUSTMENT (COLA): For CSRS retirees, the first cost-of-living adjustment is prorated by using the following formula:

$$\frac{\text{COLA rate}}{12} \times \text{Number of full months on annuity roll} = \text{Prorated COLA}$$

FERS retirees do not receive a COLA until age 62, unless retired under special provisions (such as, law enforcement, firefighter, etc). If retired prior to age 62, the first cost-of-living adjustment will not be prorated if you reach your 62nd birthday before December 1. The increase is normally 1% less than the increase in the consumer price index as determined by law.

LIFE INSURANCE: Provide appropriate election forms.

Basic Insurance: Life insurance coverage is transferred into retirement if you have had coverage since the first opportunity to enroll or for five continuous years immediately preceding the date of your retirement. You must continue your Basic Life insurance in order to keep any of the Optional coverage. Unless you choose otherwise, your Basic Life will

begin to reduce at the end of the month after the month that you reach age 65 (or when you retire, if later). As a retiree, you have three options:

- (1) 75% Reduction: Cost before age 65 = \$.3358 per \$1,000 of Basic Insurance Amount (BIA); after age 65 = \$0. The amount of your insurance reduces 2% per month after age 65 to a minimum 25% of your BIA.
- (2) 50% Reduction: Cost before age 65 = \$.9258 per \$1,000 of BIA; after age 65 = \$.59 per \$1,000. The amount of your insurance reduces 1% per month after age 65 to a minimum of 50% of your BIA.
- (3) No Reduction: Cost before age 65 = \$2.3758 per \$1,000 of BIA; after age 65 = \$2.04 per \$1,000. The amount of your insurance will equal 100% of your BIA and is retained after age 65.

Optional Insurance: You will pay the full cost to continue any of the following Optional insurance.

- (A) Standard: The amount of Option A-Standard insurance automatically reduces when you reach age 65 (or retire, if later). There is no election to be made. The amount of coverage reduces by 2% (\$200) each month until the amount has been reduced by 75%. Only 25% of the original amount is payable (\$2,500) as a death benefit once the full reduction has been reached.
- (B) Additional: You may elect either full reduction or no reduction. If you elect full reduction, until you reach age 65, premiums (based on age) will be withheld from your annuity at the same rate as active employees. After age 65, there is no cost, but the insurance value begins to reduce 2% per month until coverage is reduced to zero. If you elect no reduction, you will continue to pay premiums at the same rate as active employees and you will retain the full amount of your Option B Additional Insurance.
- (C) Family: You may elect either full reduction or no reduction. If you elect full reduction, premiums are withheld from your annuity at the same rate as active employees until you reach age 65. After age 65, there is no cost, but the insurance value begins to reduce 2% per month until coverage is reduced to zero. If you elect no reduction, you will continue to pay premiums at the same rate as active employees and you will retain the full amount of your Option C Family insurance.

HEALTH INSURANCE: Health insurance continues if you have been covered since first eligible or for five continuous years immediately prior to the date of your retirement. The cost will remain the same as if you were a current employee. However, unlike an employee, your health insurance premiums are withheld after your annuity is taxed. You have the same privileges as a current employee in making changes during open season and other changes that occur. The Office of Personnel Management will notify you of the open season periods. If you are not in receipt of cash benefits from Social Security, at age 65 you must register for Medicare by contacting your local Social Security office. During retirement, Medicare is the primary payer at age 65 and FEHB is secondary. Your spouse is eligible to continue FEHB coverage after your death only if you have self and family coverage and you elect to provide a survivor annuity at the time of retirement.

_____ THRIFT SAVINGS PLAN (TSP): If you are enrolled in TSP when you retire, you will be given information about the options available. Your options include withdrawing all of your money in a lump-sum, electing equal payments, electing an annuity, rolling the money over into an IRA, or leaving the money in your TSP account. After retiring, you can no longer make contributions. If you decide to leave your money in the account, your account will continue to draw the appropriate earnings. However, you will need to begin receiving payments by April 1st of the year following the year in which you turn age 70 1/2. You must ensure that the TSP Service Office always has your current address. You continue to receive Participant Statements, which provide account information and fund performance.

_____ REVIEW OF BENEFICIARY FORMS: There are four separate beneficiary forms for your Federal benefits: lump sum retirement contributions (SF 2808/CSRS, SF 3102/FERS); unpaid compensation (SF 1152); Federal Employees' Group Life Insurance (SF 2823); and Thrift Savings Plan (TSP 3). The beneficiary forms will be valid in retirement. You must make sure all forms are up-to-date with the name and current address of your designated beneficiaries

_____ PAYMENT SCHEDULE/INTERIM PAY: You should receive your last salary payment on the normal schedule. After OPM has received your retirement application, you should receive an interim payment equal to approximately 85% of your full annuity. During the interim pay period, no deductions will be taken for health or life insurance. The interim payment schedule will continue until all records have been verified by OPM. At that time, you will receive a full annuity payment and retroactive annuity amounts that were not paid during the interim pay cycle minus FEHB, FEGLI, and other appropriate deductions. You will receive a "Benefits Booklet" that fully explains your retirement annuity and benefits.

_____ CONTACTING OPM: Once you receive your Civil Service Annuitant (CSA) number, you may contact OPM by calling their Retirement Information Office at either the nationwide toll-free number, 1-88 US OPM RET (1-888-767-6738 or, for customers within the Washington, DC calling area, (202) 606-0500, or for hearing impaired customers, 1-800-878-5707 (TDD). When you call, you can use the automated phone system, which is available 24 hours a day, seven days a week, or talk to a Customer Service Specialist from 7:30 a.m. to 7:45 p.m. Eastern Standard Time, Monday through Friday.

To use the automated phone system's features, you will need your CSA number and your Personal Identification Number (PIN). After OPM completes processing of your retirement, they will send you a PIN. You can also obtain a PIN by calling a Customer Service Specialist, who will arrange to have a PIN mailed to you.

Some of the things you can do by using the automated system include:

- Report a missing payment
- Change your address
- Change Federal and state income tax withholding amounts

- Request verification of your income
- Request the current value of your life insurance
- Request verification of the survivor benefits you are providing
- Request retirement forms and brochures

You can also contact OPM on the Internet at <http://www.opm.gov/retire> to obtain retirement information, forms, and brochures, and to report a missing payment or the death of an annuitant. If you need to write to OPM, the mailing address for general correspondence is:

U.S. Office of Personnel Management
Retirement Operations Center
Post Office Box 45
Boyers, Pennsylvania 16017-0045

Social Security and Medicare Changes for 2002		
	2001	2002
Maximum Earnings Taxable	\$80,400	\$84,900
Credit of Coverage:	\$ 830	\$ 870
Retirement Earnings Test	\$10,680 (under age 65)	\$11,280
	\$25,000 (year individual reaches 65)	\$30,000
	No Limit After Age 70	
Minimum Social Security Earnings Needed for substantial earnings	\$14,925	\$15,750
Formula for the Primary Insurance Amount (PIA)		
90% of the first \$592 of the average indexed monthly earnings, plus		
32% of the average indexed monthly earnings over \$592 and through \$3,567, plus		
15% of the average indexed monthly earning over \$3,567		
Maximum Social Security Benefit Worker Retiring at Age 65 in January	\$1,536 per month	\$1,660 per month
Medicare		
Part A (Hospital Insurance)		
Deductible (Per Benefit Period*)	\$792	\$812
Coinsurance	\$198	\$203 a day (61 st to 90 th day)
	\$396	\$406 a day (91 st to 150 th day)
Part B (Medical Insurance)		
Premium Per Month Per Person	\$50.00	\$54.00

* Benefit Period – The way that Medicare measures your use of hospital services. A benefit period begins the day you go to a hospital. The benefit period ends when you have not received hospital care for 60 days in a row. If you go into a hospital after one benefit period has ended, a new benefit period begins. You must pay the inpatient hospital deductible for each benefit period. There is no limit to the number of benefit periods you can have.